

7A Am. Jur. 2d Automobiles § 178

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Automobiles and Highway Traffic

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III. Licensing, Taxation, and Registration

D. Financial Responsibility or Security Requirements

2. Motor Carriers

§ 178. Vehicles and carriers subject to statutes and ordinances

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West's Key Number Digest

West's Key Number Digest, [Automobiles](#) 88 to 95

A Department of Transportation's interpretation of a certificate of insurance filing required for licensed motor carriers, as covering all vehicles that a carrier operates, including any owner-operated or leased vehicles which operate under authority granted by the Department of Transportation to an authorized carrier, is not irrational or unreasonable.¹

The federal statute setting forth minimum financial responsibility for transporting passengers² does not apply to motor vehicles.³

- (1) transporting only school children and teachers to or from school;
- (2) providing taxicab service;
- (3) carrying not more than 15 individuals in a single, daily, round trip to and from work; or
- (4) providing transportation service within specified transit service areas.

Likewise, the federal statute setting forth minimum financial responsibility for the transporting of property⁴ does not apply to motor vehicles under a gross specified weight of 10,000 pounds if the vehicle is not used to transport in interstate or foreign commerce.⁵

- (1) Class A or B explosives;

(2) poison gas; or

(3) a large quantity of radioactive material.

Counties and municipalities have discretion to procure liability insurance for the operation of motor vehicles owned by them.⁶ In this regard, a transit authority created pursuant to a state act is not a “political subdivision” of the state within the meaning of a statute exempting from its provisions motor vehicles owned by the state or any of its political subdivisions.⁷

An ordinance of a city requiring various types of liability insurance in various amounts to be maintained on a vehicle for hire as a condition to the issuance of a certificate of public necessity and convenience is properly made a basis for city officials to refuse to issue such a certificate to a cab company on nonoperational, uninsured vehicles.⁸

The duty to file proof of financial responsibility with respect to a for-hire vehicle is limited to owners of vehicles that are registered in state or that are required to be registered in state.⁹ Accordingly, a foreign rental car agency which owns a vehicle that is registered in one state and rented to an operator in another state does not have a duty to file proof of financial responsibility in a third state.¹⁰ A state statute requiring carriers to keep in force all liability insurance or bonds in the amount required by a state agency and limiting the agency's authority to require insurance in greater amounts than required by statute does not govern uninsured motorist coverage and does not exclude carriers from statutory requirements of uninsured motorist coverage.¹¹

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Footnotes

- 1 [American Nat. Fire Ins. Co. v. Levy](#), 156 Misc. 2d 608, 594 N.Y.S.2d 118 (Sup 1992).
- 2 [49 U.S.C.A. § 31138](#), discussed at § 177.
- 3 [49 U.S.C.A. § 31138\(e\)](#).
- 4 [49 U.S.C.A. § 31139](#), discussed at § 177.
- 5 [49 U.S.C.A. § 31139\(h\)](#).
- 6 [Logue v. Wright](#), 260 Ga. 206, 392 S.E.2d 235 (1990).
- 7 [Dotts v. Taressa J.A.](#), 182 W. Va. 586, 390 S.E.2d 568 (1990).
- 8 [Johnson v. Peachtree Cab Co., Inc.](#), 251 Ga. 708, 309 S.E.2d 616 (1983).
- 9 [Fratus v. Amerco](#), 575 A.2d 989 (R.I. 1990).
- 10 [Lopes v. Phillips](#), 680 A.2d 65 (R.I. 1996).
- 11 [Bray v. Insurance Co. of State of Pennsylvania](#), 917 F.2d 130 (4th Cir. 1990).

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